

Testimony in Opposition to H.B. 7055: An Act Creating the Connecticut Gambling Commission and Creating a Competitive Bidding Process for a Resort Casino and;

Testimony in Opposition to S.B. 11 An Act Concerning the Authorization of a Cosine Coming

Testimony in Opposition to S.B. 11 An Act Concerning the Authorization of a Casino Gaming Facility in East Windsor and;

Tesimony is Opposition to S.B.17 An Act Authorizing Sports Wagering, Internet Gambling and Internet Keno and;

Testimony in opposition to S.B. 665 An Act Concerning Sports Wagering

Submitted by, Michele Mudrick, Legislative Advocate
Connecticut Conference, United Church of Christ and Executive Director of The
Coalition Against Casino Expansion in Connecticut (CACE)
February 25, 2019

Representative Verrengia, Senator Bradley and distinguished Members of the Public Safety and Security Committee,

I am Michele Mudrick, Legislative Advocate for the Connecticut Conference, United Church of Christ and Director of the Coalition Against Casino Expansion in Connecutict (CACE).

The Coalition against Casino Expansion in CT (CACE) is a group of 14 faith communities and organizations representing over a million people in Connecticut. Our Coalition spans a broad range of progressive and conservative viewpoints. We have joined together in a non partisan alliance to oppose the legalization of off reservation commercial casino gambling and legalized sports wagering. We have come together to urge that no new casinos be built in our state and support no further expanded gambling in Connecticut.

I am also writing as a mother and on behalf of the 233 congregations and more than 67,000 people in our state's churches. In fact, the United Church of Christ (UCC) is the largest Protestant denomination in Connecticut. Nationally, the UCC has more than 5,700 congregations with nearly 1 million members In 1974, 1977, 1979 and again in 1994, the assembled delegates and ministers of the Connecticut Conference of the United Church of Christ met and voted on Resolutions which call upon the Connecticut Conference to oppose expanded gambling.

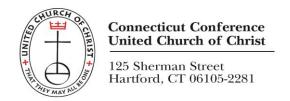
Most people talk only about the jobs and the revenue that may be created from building another casino in Connecticut, and are not talking about the social and economic costs to casinos, which are very real. I would like to talk about what the experts who study casinos are saying.

The Institute of American Values published a report entitled "Why Casinos Matter: Thirty-One Evidence-Based Propostions from the Health and Social Sciences." This report was created by the Council on Casinos, an independent, nonpartisan group of scholars and leaders who joined togethter to examine the role of casinos in American life. This report's research shows that gambling is highly addictive, that casinos depend on problem gamblers for up to 50% of their revenue, that living close to a casino increases your chance of becoming a problem gambler, that the benefits of casinos are short-term and easy to measure while the costs

<sup>&</sup>lt;sup>1</sup> Institute for American Values



God is still speaking,



are longer-term and harder to measure. Furthermore, casinos drain wealth from communities, weaken nearby business, hurt property values, reduce civic participation, increase the risk of broken families and increase crime and bankruptcy in communities.<sup>2</sup> There is no justice in using addictive gambling machines to obtain revenue from these most vulnerable populations.

According to Earl Grinols, the leading expert on the study of casinos in communities, there are many hidden social costs of gambling. These costs include crime costs, business and employment costs, bankrupcy costs, suicide costs, illnesses related to pathological gambling, social service costs, and family costs. Grinols reported factoring in all the economic and social cost, these costs outweigh the benefits 3 to 1.<sup>3</sup> Our state has not done a Comprehensive study on Gaming in Connecticut in over 10 years, to give our state a true picture of the social and economic costs to casinos.

There is very little evidence that casinos strengthen a state or municipality. Jobs and the economy are crucial for all Connecticut residents, noone is denying that and we need good jobs and need to grow our economy, but casino jobs come at the cost of other jobs in the communities surrounding a casino. It could be a net decrease in jobs due to the destruction of the local businesses. When a casino is built in a community, the local restaurants, local entertainment venues, local retail establishments and other businesses can't compete with the casino so they will be negatively impacted or end up closing. Independent experts and studies have concluded, the presense of a casino do far more harm than good, and the social and economic costs to casinos are far greater than the benefits of job creation and generating revenue. As a pastor from Massachusetts mentioned, casinos are like a vaccum, they suck the money out of the local economy instead of pumping it in. People go to the casino, eat in the casino, sleep at the casino hotel, shop at the casino, gamble at the casino, fill their gas tank at the casino gas station and go home, they do not spend their money in the local economy.

Addionally, we need to create jobs that add value, create real products, provide a living wage and focus on jobs in industries that are not decling in potential. The market for casinos in saturated, there are close to 70 casinos in the Northeast and there are over a 1,000 casinos in the forty states that have them. When Foxwoods and Mohegan Sun opened there were only 12 casinos in the Northeast, all in Atlantic City and half of the revenue was from out of state, now the Northeast is saturated with casinos so it is mostly Connecticut residents losing their money. Five of New Jersey's tweleve casinos recently closed and New Jersey residents voted 4-1 against a proposal to expand casino gambling beyond Atlantic City, reflecting the view that casinos have become an economic and social dead end for New Jersey. Furthermore, Delaware is spending millions trying to bail out its three casinos.

The two casinos we have in Connecticut now laid off thousands of workers the past few years and their profits are down 40%. Since casinos are increasingly canabalizing each other, a 2016 study by the Rockefeller Institute of Governments, the leading independent privately financed organization in the USA whose job is to advise states and municipalities across the country did a study and they are warning states, like Connecticut that while casinos may generate short term revenue, it is quickly reversing and decling. If we were to grow this industry we would create more addictive gamblers which has huge societal costs. In

<sup>&</sup>lt;sup>3</sup> The Hidden Social Costs of Gambling



<sup>&</sup>lt;sup>2</sup> Institute for American Values



2009, the state sponsored study found that there was a 400% increase in arrests for embezzelments in Connecticut since the casinos arrived, an increase of ten times the national average. In 2014 Western CT State University did a study and found that the number of violent crimes, murder, rape, robbery, aggregated assault increased around the two casinos, despite in Connecticut as a whole going down. Theft crimes increased 40% and there were also increases in non violent crimes such as prostitution and illicit drug use.

Casinos make people poorer. I have heard many heartbreaking stories from pastors, many in the areas surrounding Foxwoods and Mohegan Sun as well as throughout the state. People often come to our churches asking for money to pay their rent or put food on their tables because they spend all their money in the casinos. Pastors would visit parishoners in their home and they were eating cat food because they spent all their money in the casino.

According to the UCONN School of Medicine, the growing gambling epidemic is hitting lower socioeconomic groups that hardest and the resulting societal costs are being borne by employers, law enforcement, social welfare agencies and the healthcare system. Gambling is a serious addiction, that is not often talked about because there is so much shame around it. The National Council of Problem Gambling estimates that one in five gambling addicts attemps suicide, a rate highter than any other addiction. There is so much shame in gambling addictions that it is very difficult, if not impossible to get people to testify in person.

The studies show that casinos are poor economic drivers and multipiers. According to the The United States Bureau of Economic Anlysis, the US consumer economy has an economic multiplier of 2 to 3 which means that for ever dollar spent the re-spent dollars double or triple the econnomic increase but a casinos multiplier is below 2 at best and according to a University of Massachusets study the starting point for casinos is a negative multipier. Casinos make communities poorer, they do not build stronger communities.

According to the Economist, February 9, 2017, the residents of Connecticut have lost more than \$25 billion over the last twenty-five years on state- sanctioned gambling such as in the casinos (excluding losses on table games),the Connecticut lottery, and off track betting.<sup>4</sup>

According to job numbers provided by Foxwoods and Mohegan Sun, the two casinos presently employ about 14,000 people in either part-time or full-time jobs. By conservative estimates, at least 2%-5% of Connecticut citizens are now gambling addicts. The state's population ws 3.57 million in 2016, which means the number of citizens addicted to gambling is conservatively between the range of 71,520 people to 178,800 people. That's at least five times more citizens who have suffered life-changing financial losses because of gambling addiction than there are citizens who work at the state's casinos.

MIT Professor, Natasha Schull, author of Addiction by Design, reported in one study of casual gamblers, 75% of casino visitors were casual gamblers but they made up 4% of gambling revenues.<sup>7</sup> The author of the

<sup>&</sup>lt;sup>7</sup> Natasha Dow Schull, PhD, Addiction by Design, Machine Gambling in Las Vegas,pg 267 (2012)

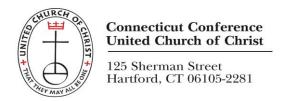


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<sup>&</sup>lt;sup>4</sup> Les Bernal, Stop Predatory Gaming

<sup>&</sup>lt;sup>5</sup> The Hartford Business Journal, April 3, 2017

<sup>&</sup>lt;sup>6</sup> The Connecticut Council on Problem Gambling



study said, "'If responsible gambling were sucessful, then the industry would probably shut down for lack of income."8

That's why "responsible gambling" is nothing more than a slogan to give the appearance that citizens are not in danger. The profit model, and the resulting state revenues, are based on the out-of-control gambler. Without these gamblers, there is very little gambling profit.<sup>9</sup>

Sports gambling will make the problem worse. In a survey of nearly 10,000 adults in Massachusetts, sports bettors had higher rates of problem gambling- 5.7 percent. Gamblers who bet online had even higher problem gambling rates, 18.2 percent. These online gamblers get caught up into significant financial debt. One of the few countries that has legal sports gambling, Ireland, just issued its first ever national survey on gambling. It found three quarters of online gamblers in Ireland have borrowed money or sold something in order to place a bet. 11

Data from Stop Predatory Gambling in Washington, DC reports that Americans are expected to lose \$1 trillion of their personal wealth to government-sanctioned gambling over the next eight years. This is happening at the same time that around 50 percent of the US population has zero or negative net wealth, meaning their debts equal or exceed their assets. Let's be smart in Connecticut and not encourage our residents to lose their hard earned dollars.

The people of Connecticut have spoken in the Quinnipiac University poll released on March 11, 2015, that three in four Connecticut voters oppose having more casinos in Connecticut. The Coalition Against Casino Expansion in CT (CACE) represents the people most affected, the public, over one million people and the public is saying no more casinos in Connecticut.

Lastly, regarding sports wagering, sports betting is especially dangerous for American kids. Studies show that children in those countries with legal sports gambling are repeatedly exposed to harmful messages and advertisements about sports gambling. It normalizes gambling for kids.<sup>13</sup>

All of God's children deserve opportunities to live and thive in their communities and putting a casino in a community is not a way people can thrive. There are better strategies for creating jobs and promoting economic growth in Connecticut that don't come with the significant downsides that casinos bring.

The members of the Coaltion Against Casino Expansion in Connectiut include:

Connecticut Conference of the United Church of Christ – Episcopal Church in Connecticut – Connecticut

League of Women Voters – Connecticut Catholic Conference -- Family Institute of Connecticut – New

England Synod, Evangelical Lutheran Church of America – Connecticut Association for Human Services –

<sup>9</sup> Les Bernal, Stop Predatory Gambling

<sup>&</sup>lt;sup>13</sup> Les Bernal, National Director, Stop Predatory Gambling



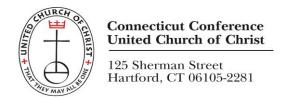
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<sup>&</sup>lt;sup>8</sup> Ibid

<sup>&</sup>lt;sup>10</sup> Rachel A. Volberg et al., Gambling and Problem Gambling in MA: Results of a baseline population survey, 52 University of MA School of Public Health and Health Sciences (May 28, 2015)

<sup>11 &</sup>quot;Most online gamblers bet using loans", The Times, Feb 13, 2018

<sup>&</sup>lt;sup>12</sup> Stop Predatory Gambling



Council of Churches of Greater Bridgeport – Advocacy Unlimited, Inc. – Farmington Valley American Muslim Center and Bridgeport Islamic Community Center - Resident Bishop New England Conference of the United Methodist Church – American Baptist Churches of Connecticut – Presbytery of Southern New England

Thank you for your work and the opportunity to supply written testimony in oppostion to expanded gambling and I would be honored to answer any questions.

Blessings, Michele Mudrick (860) 796-3822 michelem@ctucc.org